



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/777,614	02/05/2001	Christopher P. Bergh	10844-003001	6722

21323 7590 01/07/2005

TESTA, HURWITZ & THIBEAULT, LLP  
HIGH STREET TOWER  
125 HIGH STREET  
BOSTON, MA 02110

EXAMINER

ALVAREZ, RAQUEL

ART UNIT PAPER NUMBER

3622

DATE MAILED: 01/07/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/777,614

Applicant(s)

BERGH ET AL.

Examiner

Raquel Alvarez

Art Unit

3622

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 15 October 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-16 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-16 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_.

### DETAILED ACTION

1. This office action is in response to communication filed on 10/15/2004.
2. Claims 1-16 are presented for examination.

#### **Claim Rejections - 35 USC § 101**

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claim 14 is rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found

that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a

Art Unit: 3622

§101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the present application, independent claim 14 clearly recites a “useful, concrete and tangible result” (“presenting the selected offers to individuals over the associated channels”), however the claim recites no structural limitations (i.e., computer implementation), and so it fails the first prong of the test (technological arts).

**Claim Rejections - 35 USC § 102**

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) and the Intellectual Property and High Technology Technical Amendments Act of 2002 do not apply when the reference is a U.S. patent resulting directly or indirectly from an international application filed before November 29, 2000. Therefore, the prior art date of the reference is determined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

5. Claims 1-8, 10-16 are rejected under 35 U.S.C. 102(e) as being anticipated by Langseth et al. (6,694,316 hereinafter Langseth).

With respect to claims 1-4, 6-8, 15-16 Langseth teaches a computer-controlled method for managing offers (abstract). Preparing data characterizing a plurality of

offers, each offer being associated with a targeted individual and one of a plurality of channels for presenting offers (Figure 2A); selecting from the plurality of offers a number of offers for presenting to the individuals associated with those offers, including for at least some individuals, selecting from multiple offers associated with each of those individuals (col. 8, lines 31-53); presenting the selected offers to the associated individuals over the associated ones of the plurality of channels (col. 8, lines 31 to col. 9, lines 18-26).

With respect to the newly added feature of the selection being based on a rule-based engine executing offer data processing rules to determine which sets of offer data can be sent to each of those individuals, the data processing rules including an internal set of rules governing overall operation of the rule-based engine, the offer data processing rules being selected from the group consisting of prioritization rules, selection rules, and time-based rules. Langseth teaches that the affiliate's system may selectively choose the subject matter of content to be delivered to their subscribers and that selection may be based on the business of the affiliates. For example, a golf web site may only desire to enable its subscribers to access a sports channel. The affiliates send the content of the offer to a personalized intelligence network (PIN) and the PIN determines which offers to output to the subscribers based on certain criteria of the customer (Figure 19, 916). The PIN governs the presentation of the advertisements provided to the subscribers based on subscriber information, the type of service or channel being run, the time of day, the time of year, and the like (see Figure 19 and col. 3, lines 41-45 and col. 27, lines 45-64).

With respect to claim 5, Langseth further teaches limiting presentation of offers includes scheduling presentation of offers to the individuals according to the acceptable timing (col. 3, lines 59 to col. 4, lines 1-10).

With respect to claim 10, Langseth further teaches tracking activities of the individuals to whom the offers were presented (i.e. the subscriber information is stored such as the subscribed type of service)(col. 27, lines 45-59); and presenting a sequence of related offers to those individuals based on the tracked activities (i.e. the information is used to personalize the advertisements to be presented to the user)(col. 27, lines 45-59).

With respect to claim 11, Langseth teaches a first user preparing data characterizing a class of offers (col. 27, lines 45-59), passing the data characterizing the class of offers to a second user, and the second user, and the second user preparing additional data characterizing the offer (col. 27, lines 45-59).

With respect to claim 12, Langseth further teaches that the selected offers is performed in a distributed manner in which separate computers access the shared storage (col. 27, lines 45-59).

With respect to claims 13-14, in addition to the limitations previously addressed in the rejection to claims 1, 15-16, Langseth further teaches prioritizing offers for particular individuals, and selecting offers according to their priorities (col. 17, lines 24-32).



**Claim Rejections - 35 USC § 103**

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 9 are rejected under 35 U.S.C. 103(a) as being obvious over Langseth.

With respect to claim 9, Langseth further teaches tracking activities of the individuals to whom the offers were presented (i.e. the subscriber information is stored such as the subscribed type of service)(col. 27, lines 45-59). With respect to reporting statistics related to the effectiveness of the plurality of offers. Official notice is taken that it is old and well known to conduct statistics on the effectiveness of advertisements presented to the user in order to better target the individual. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included reporting statistics related to the effectiveness of the plurality of offers in order to obtain the above mentioned advantage.

**Response to Arguments**

7. Applicant's arguments filed 10/15/2004 have been fully considered but they are not persuasive.

8. The rejections to claims 1-13 and 15-16 was overcome by the amendment to the claims. Claim 14 still doesn't recite no structural limitations (i.e., computer implementation), and so it fails the first prong of the test (technological arts).

9. Applicant argues that Langseth doesn't teach using a rule engine having offer

data processing rules including an internal set of rules governing overall operation of the rule-based engine. The Examiner disagrees with Applicant because Langseth teaches that the affiliate's system may selectively choose the subject matter of content to be delivered to their subscribers and that selection may be based on the business of the affiliates. For example, a golf web site may only desire to enable its subscribers to access a sports channel. The affiliates send the content of the offer to a personalized intelligence network (PIN) and the PIN determines which offers to output to the subscribers based on certain criteria of the customer (Figure 19, 916). The PIN governs the presentation of the advertisements provided to the subscribers based on subscriber information, the type of service or channel being run, the time of day, the time of year, and the like (see Figure 19 and col. 3, lines 41-45 and col. 27, lines 45-64).

### **Conclusion**

10. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of

Art Unit: 3622

the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

**Point of contact**

11. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Raquel Alvarez whose telephone number is (703)305-0456. The examiner can normally be reached on 9:00-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric w Stamber can be reached on (703)305-8469. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Raquel Alvarez  
Examiner  
Art Unit 3622

R.A.  
12/28/04